

Medicaid Restricted Account – Follow Up Details

Introduction: This document is a follow up to questions raised on January 30th by Committee members regarding the “Medicaid Restricted Account” Issue Brief DOH-09-17.

Summary: The Committee has at least the following options in regards to using the \$8,072,200 available balance:

- 1) Do nothing – this would allow the interest and additional surpluses to build up the available balance in the fund.
- 2) One-time funding – up to \$8,072,200 could be appropriated as one-time funding.
- 3) On going funding – annual interest on the available balance would be over \$400,000 based on last year’s interest earnings.

Committee Questions: The Committee expressed an interest in seeing the past balances and uses of the Medicaid Restricted Account. The table and graph below and on the following page illustrate the past balances and appropriations from this account. The account was formed in FY 1996 and has ranged in ending balances from \$270,600 in FY 2004 to \$19,772,400 in FY 1998. Legislative appropriations from the account have ranged from \$0 in several years to \$9,141,000 in FY 2001. The primary reason for these appropriations have been to reduce the need for General Fund in funding Medicaid.

| Fiscal Year | Begin Balance | Revenues | End Balance | Appropriations |
|-------------|---------------|------------|---------------|----------------|
| 1996 | \$ - | \$ - | \$ 4,657,200 | \$ - |
| 1997 | \$ 4,657,200 | \$ 194,900 | \$ 12,817,200 | \$ - |
| 1998 | \$ 12,817,200 | \$ 630,600 | \$ 19,772,400 | \$ 1,750,000 |
| 1999 | \$ 19,772,400 | \$ 596,400 | \$ 18,595,100 | \$ 3,439,000 |
| 2000 | \$ 18,595,100 | \$ 845,700 | \$ 14,253,000 | \$ 5,400,200 |
| 2001 | \$ 14,253,000 | \$ 658,100 | \$ 5,770,100 | \$ 9,141,000 |
| 2002 | \$ 5,770,100 | \$ 135,800 | \$ 1,688,500 | \$ 4,217,200 |
| 2003 | \$ 1,688,500 | \$ 25,700 | \$ 5,481,900 | \$ 1,573,000 |
| 2004 | \$ 5,481,900 | \$ 1,600 | \$ 270,600 | \$ 5,347,300 |
| 2005 | \$ 270,600 | \$ - | \$ 1,504,000 | \$ - |
| 2006 | \$ 1,504,000 | \$ - | \$ 3,306,500 | \$ - |
| 2007 | \$ 3,306,500 | \$ - | \$ 13,137,200 | \$ 2,090,200 |

Medicaid Restricted Account

